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JOINT MEDIA RELEASE

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DELIVERING CHEAP AND RELIABLE ENERGY IN VICTORIA

The Commonwealth Government and Victorian Government are announcing the first stage of a part agreement, with the first part supporting a key transmission project that will deliver more affordable and reliable electricity for Victorians.

Under this agreement, the Commonwealth and Victorian governments will jointly underwrite early works to progress the Victoria to New South Wales Interconnector (VNI) West project - with a preferred route known as KerangLink – so that it can be delivered by 2027.

VNI West will deliver an extra 1,800 megawatts of capacity during peak demand periods, help lower prices and allow Victoria to export 1,930 megawatts to NSW. The project will help maintain system security and reliability, while also allowing more renewable energy to be connected to the grid.

Federal Minister for Energy and Emissions Reduction Angus Taylor said this support for VNI West will create new jobs, put downward pressure on prices, and shore up the reliability of the grid.

“The Government is strongly focused on getting the best energy outcomes for all Australians, which is why we are working with states and territories to ensure their specific energy needs are met,” Minister Taylor said.

“Commonwealth support for VNI West demonstrates our commitment to working with Victoria to deliver outcomes that benefit all Victorians.

“The VNI West project will play a crucial role in ensuring Victorians have access to the affordable and reliable electricity they need to power their lives.

“The Commonwealth Government is now advancing all major priority transmission projects in the Australian Energy Market Operator’s 2020 Integrated System Plan.

“The Morrison Government is continuing to deliver a more affordable and reliable electricity system for Australians through measures that will lower bills, secure our grid and drive investment in new energy infrastructure.”

Victorian Minister for Energy, Environment and Climate Change Lily D’Ambrosio said this was a major win for Victoria’s regions, particularly the North West.

“KerangLink will be a renewable energy superhighway, creating a wave of new jobs right across the state,” Minister D’Ambrosio said.

“This project will unlock more wind and solar power in Victoria than ever before, and is crucial action to address climate change.

“We know that renewable energy will play a vital role in powering the future of Victoria’s economy.”

VNI West will support approximately 2,000 direct jobs during construction.

The Commonwealth Government is working with all state and territory governments to establish agreements that accelerate cooperation on energy and emissions reduction projects.

State and territory governments have a critical role in implementing initiatives to support energy security and drive down costs for Australians.

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